

Tax Exemption-Revitalization Fact Sheet



This application for tax exemption on revitalized structures must be filed with the Town of Vienna Department of Finance **at the time the application for a building permit is filed.** (*Vienna Town Code Section 6-61 B*)

Program Requirements:

- The original structure (building) must be at least 25 years old.
- **Residential** structures must increase in value by a minimum of 25% over the base value to qualify for Tax Exemption. (NOTE: Cost of construction may not increase the property value by the same amount)
- **Multi-Family Residential and Nonresidential** structures must increase in value by a minimum of 40% over the base value. (NOTE: Cost of construction may not increase the property value by the same amount)
- **Residential and Multi-Family Residential** real estate that is substantially rehabilitated, renovated, or replaced may not exceed the total square footage of the footprint of the original, unimproved structure by more than 30% to be eligible for the tax credits. Resultant lot coverage may not exceed 25% unless a variance has been granted by the Board of Zoning Appeals.
- **Commercial** structures on property that has been substantially rehabilitated, renovated, or replaced may not exceed the total square footage of the footprint of the original, unimproved structure by more than 100%.
- **No property** shall be eligible for a partial property tax exemption pursuant to this section unless all appropriate building permits have been acquired for the substantial rehabilitation, renovation or replacement of the structure on the property. (*Vienna Town Code, Section 6-61A*)

Filing Process:

- **There is a non-refundable \$50.00 application fee when an application is filed.**
- Application must be made at the same time as the building permit application is made.
- The application to qualify for the tax exemption shall be effective until December 31 of the third calendar year following the year in which the application is submitted.
- At any time **prior to November 1**, of any calendar year in which rehabilitation, renovation or replacement of a structure is complete, and owner may submit a written request to the Director of Finance to inspect the structure to determine if it qualifies for a partial real property tax exemption. This will establish the structure's initial fair market value.

Program Benefits

- Qualifying property owners shall receive an exemption of the taxes associated with the increase in structural value due to renovation, rehabilitation or replacement (i.e., final structural value compared to base structural value), provided all program requirements are met. The owner will receive a full exemption of tax on the increase for 10 years, with the exemption being phased out over the next 4 years.

Example:

<u>Years</u>	<u>Exemption</u>
1-10	100%
11	80%
12	60%
13	40%
14	20%
15	Fully Taxable

Additional Information:

- The tax exemption will only apply to sole owners on the date the tax exemption becomes effective.
- Real Estate taxes must be paid timely to participate.
- All building permits must be acquired to participate.
- No exemption will be granted on land value.
- All work done must conform to existing Town and County regulations.
- The amount of Tax Exemption will be fixed and will not grow over time. It may be reduced in the event the property declines in the future.
- The property will remain fully taxable during the construction phase, (i.e., prior to final appraisal).
- Hotels are not eligible for this program.
- No applications will be accepted after September 1, 2012.

Contact the Town of Vienna Real Estate Office for an application or for further details:

Phone: 703-255-6325

Fax: 703-938-5560

Email: finance@viennava.gov
mpeng@viennava.gov

NOTE: This summary is not intended to replace, amend, or supersede the adopted Ordinance (*Town Code Sections 6-60 through 6-65*). For more specific and complete information, a copy of the Ordinance is available for sale from the Town Clerk located in Town Hall or at <http://www.ViennaVA.gov>